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FOURTEENTH DISTRICT

Committees
Economic Development, Small
Business and Regulatory Reform VC
Families and Human Services VC
Government Operations
Health Policy

# The Jacobs Report

FOR IMMEDIATE RELEASE Friday, April 2, 2004

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#### MORE BAD NEWS FOR MICHIGAN ROADS

The U.S. House plans to vote on a six-year transportation budget that guarantees a minimum 90.5 cents return for each state's dollar paid into the federal pool. The bill cuts Michigan's share of federal highway spending by as much as \$600 million and will have significant impact on the state's road repair program. If approved as expected, Michigan would likely face immediate postponement of bridge projects scheduled for this year. Projects in Farmington Hills and Southfield are at risk of losing funding.

"This does not bode well for Oakland County," said state Senator Gilda Z. Jacobs (D-Huntington Woods). "State and local officials were really counting on the feds to give us a fair return on our investment. Being forced to serve as a perpetual donor to other states is a no-win situation for Michigan taxpayers."

"We're really concerned about threatened current-year projects," said Michigan Department of Transportation (M-DOT) spokesman Ben Kohrman.

Governor Jennifer Granholm and her colleagues from 11 other so-called donor states slammed a the federal plan when it was being debated last week. "We have an obligation to provide Michigan citizens with a 21st century transportation system that meets our state's economic, mobility, safety, and security needs," said the governor. "[This plan] will not allow us to give the taxpayers of Michigan the quality transportation system they deserve."

#### MICHIGAN POWER GIANTS EXPECT SUFFICIENT SUMMER POWER

In documents filed with Public Service Commission last week, both Consumers Energy and Detroit Edison told of generation or power purchase contracts sufficient to meet their customers' needs plus at least 10 percent.

Edison expressed concerns about shortages since the company does not yet have permission from the transmission system to transmit all of the power it expects to purchase and move across the state.

"Therefore, at this time, Edison cannot provide the Commission, with complete assurances that adequate power supply resources, delivered through firm transmission capacity to Southeast Michigan, are available this summer to serve its bundled customer load," the report said. "However, Edison's Summer Supply Plan is still under development and the company will continue to review all supply and delivery options so that reliable service will be provided to its bundled customers."

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If it can complete agreements to move the power it needs, Edison has enough power to provide a 15 percent buffer above its expected demand. The utility is expecting peak demand of 10,850 megawatts, but has generating capacity of 10,998 MW and purchase contracts for 103 MW. It expects to purchase another 1,271 MW over the summer to meets its margin of 12,372 MW.

Consumers is expecting peak demand of 8,064 MW from its customers. It has 6,440 MW of its own generating capacity and purchase contracts for another 1,657 MW that, along with spot market purchases, would give it an overall 11 percent margin.

Edison also noted concerns that alternative suppliers may not be providing sufficient margin for their customers. Alternative suppliers serve 2,165 MW within the Edison territory, and if those suppliers are not also planning a 15 percent margin, that could push Edison's margin as low as 11.7 percent, the report said.

The reports should be posted to the PSC's Web site shortly.

### MOURNING DOVE HUNTING PASSES SENATE

Michigan's Legislature has approved the hunting of mourning doves; however, HB 5029 is unlikely to become law, since Governor Jennifer Granholm has indicated she will veto the bill as it does not include a referendum provision.

Even so, supporters of the measure, led by bill sponsor Rep. Susan Tabor (R-Grand Ledge) and the National Rifle Association, reveled in their temporary victory.

The bill passed on a surprisingly anti-climatic 22-15 vote, considering the preceding years of fiercely passionate—often emotional—debates offered by interested parties on both sides of the issue.

In the end, five Democrats voted for the bill with 17 Republicans. Four Republicans voted against the measure with 11 Democrats. This is the first time the much-battled issue has been passed by both chambers in the same session.

According to one Lansing report, Rep. Tabor said she had recipes for doves, and that they were delicious morsels.

The National Rifle Association called the vote a "significant moment for hunters, sporting enthusiasts and NRA members across the state."

"While I am not a hunter, I do understand that fishing and game activities bring great joy to some of my constituents," said Sen. Gilda Z. Jacobs (D-Huntington Woods), who voted against the measure. "However, I draw the line on dove hunting. In the context of our culture and society, I do not empathize with the arguments advanced in its favor and I do not support it."

# WATTERS ANNOUNCES HOLOCAUST CLAIM CHECK MAILINGS

The Michigan Office of Financial and Insurance Services (OFIS) Commissioner Linda A. Watters announced that the International Commission on Holocaust Era Insurance Claims (ICHEIC) mailed checks to the 105 Michigan claimants who are Holocaust survivors and/or an heir. The checks were mailed on March 30<sup>th</sup>. In total, \$16 million in humanitarian payments are being distributed to approximately 16,000 ICHEIC claimants in 60 countries.

"OFIS is pleased to be part of this historic effort in conjunction with the National Association of

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Insurance Commissioners (NAIC) and ICHEIC," said Watters. "Our commitment to consumer protection and awareness is demonstrated by OFIS' participation on the NAIC/ICHEIC Committee to identify victims and their heirs living in Michigan, who invested their savings in Holocaust-era life insurance policies, however, were never paid."

A total of 4,867 recipients in the United States, 5,061 recipients in Israel, and thousands of additional recipients around the globe, the vast majority of whom are Holocaust survivors, will be receiving humanitarian payments of \$1,000 on a per claimant basis.

ICHEIC is making these payments from its Humanitarian Fund to which all of its member companies and the German Foundation "Remembrance, Responsibility and Future" have contributed. These payments are the first in a series of ICHEIC humanitarian payments to be distributed throughout the spring and early summer.

## CONSUMER PROTECTION FOR HIGH INSURANCE RATES

Increasing homeowners and automobile insurance premiums are threatening the economic security of Michigan citizens, outpacing inflation by a more than 2-1 ratio. The Commissioner's office has a complaint process available to consumers who feel that they have been unfairly targeted by large rate increases.

The Insurance Rate Disparity Form is available online at: <a href="http://www.michigan.gov/documents/cis\_ofis\_fis\_0035\_76202\_7.pdf">http://www.michigan.gov/documents/cis\_ofis\_fis\_0035\_76202\_7.pdf</a>

If you do not have online access, please contact Senator Jacobs' office by calling **1-888-937-4453** to receive a form in the mail.

State Senator Gilda Jacobs represents the 14<sup>th</sup> Senate District, which includes Beverly Hills, Bingham Farms, Farmington, Farmington Hills, Ferndale, Franklin, Hazel Park, Huntington Woods, Lathrup Village, Oak Park, Pleasant Ridge, Royal Oak Township, Southfield, and Southfield Township. She is the Minority Vice Chair of the Families & Human Services Committee and the Economic Development, Small Business & Regulatory Reform Committee. She also serves on the Government Operations and Health Policy Committees.

Constituents of the 14<sup>th</sup> District may contact Senator Jacobs at <a href="mailto:senate.michigan.gov">senate.michigan.gov</a> or toll-free at 1-888-937-4453.

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